



NASDAQ: TZOO

First Quarter 2022 Performance

April 26, 2022

Important Notice to Investors

Please read this management presentation together with the Company's press release issued earlier today announcing the Company's first quarter 2022 financial results and in conjunction with the Company's recent Annual Report and Quarterly Reports as filed with the Securities and Exchange Commission (SEC).

Certain statements contained in this presentation that are not historical facts may be forward looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities and Exchange Act of 1934, as amended. These forward looking statements may include, but are not limited to, statements about our plans, objectives, expectations, prospects, expected future financial guidance and intentions, markets in which we participate and other statements contained in this presentation that are not historical facts. When used in this presentation, the words "expect," "predict," "project," "anticipate," "believe," "estimate," "intend," "plan," "seek" and similar expressions are generally intended to identify forward looking statements. Because these forward looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward looking statements, including changes in our plans, objectives, expectations, prospects and intentions and other factors discussed in our filings with the SEC. We cannot guarantee any future levels of activity, performance or achievements. Travelzoo undertakes no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of this presentation.

Part 1:
First Quarter 2022 Performance

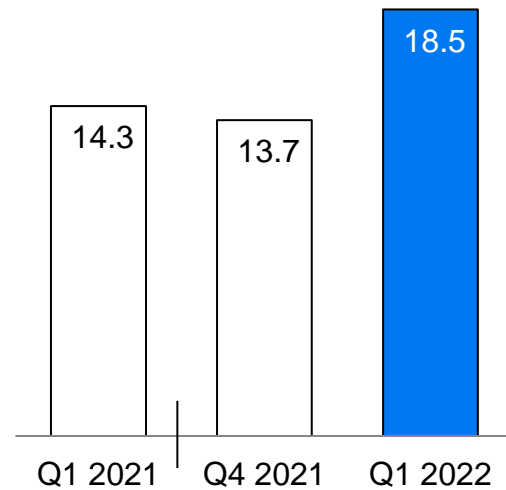
Part 2:
Management Focus

Part 3:
Travelzoo META

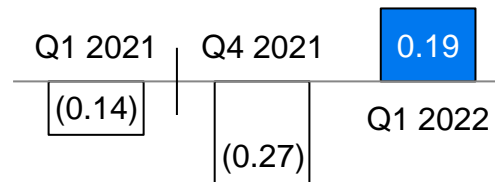
Revenues continued to recover from the pandemic and earnings turned positive again in Q1.

Financial Performance (Continuing Operations)

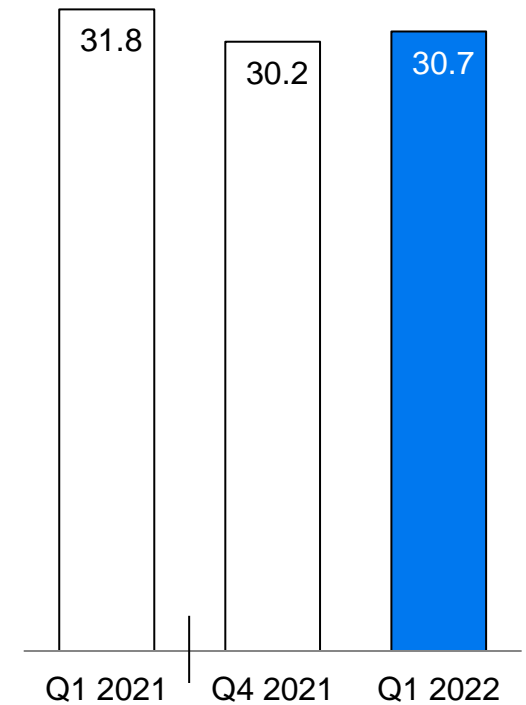
Revenue
\$ millions



EPS
\$ per share



Members

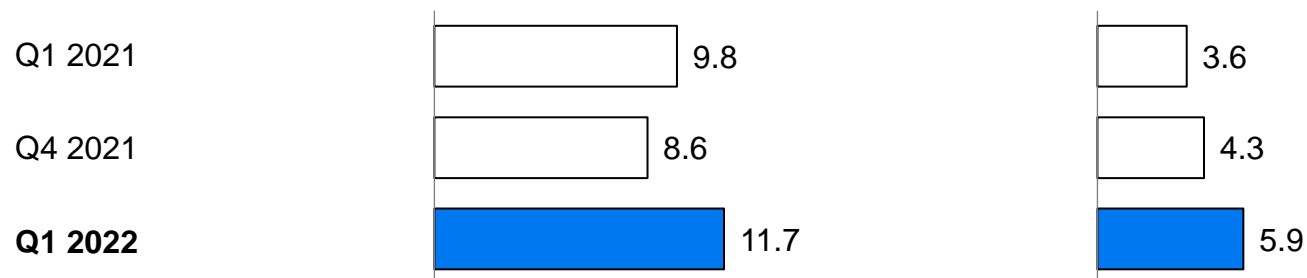


Growth in revenues and profits came in both North America and Europe.

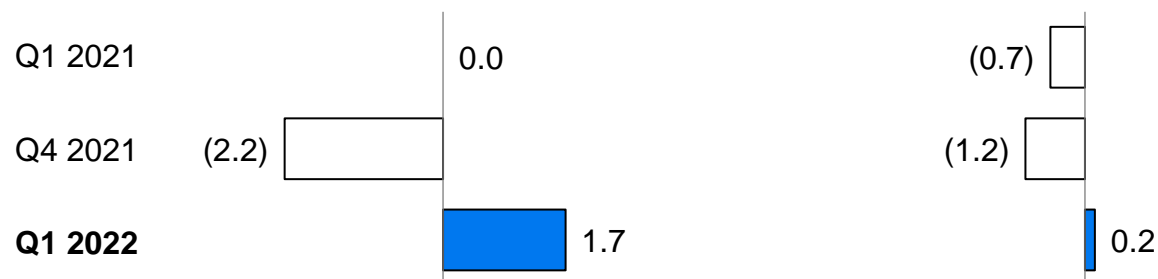
North America Business Segment

Europe Business Segment

Revenue \$ millions

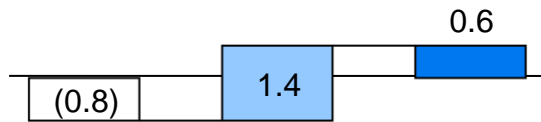
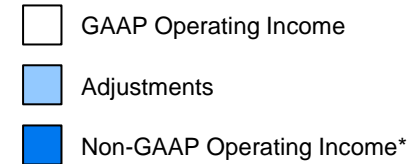


Operating Income \$ millions

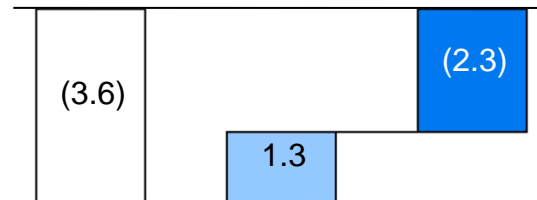


Non-GAAP operating income was \$2.7 million—the highest level in two years.

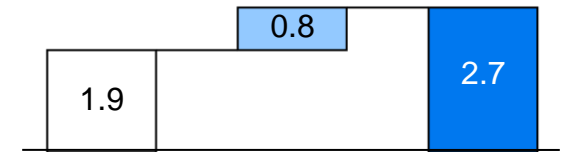
Non-GAAP Operating Income* \$ millions



Q1 2021



Q4 2021



Q1 2022

* GAAP operating income + impairment of intangibles and goodwill + amortization of intangibles + stock option expenses + severance-related expenses = non-GAAP operating income

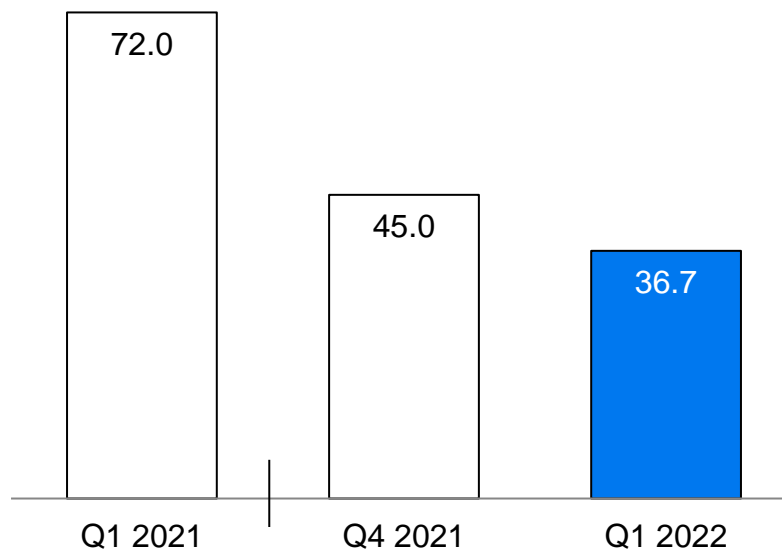
Here are the details on the items that are excluded in the calculation of Non-GAAP operating profit.

\$ millions	Q1 2021	Q4 2021	Q1 2022
Adjustments	1.4	1.3	0.8
Impairment of intangibles and goodwill	0	0	0
Amortization of intangibles	0.3	0.3	0.2
Stock option expense	0.9	0.9	0.6
Severance-related expenses	0.2	0.1	0.0

Our cash balance reached a lower, expected level, as more members travelled and redeemed vouchers. Payables decreased accordingly.

Cash Balance at End of Quarter*

\$ millions

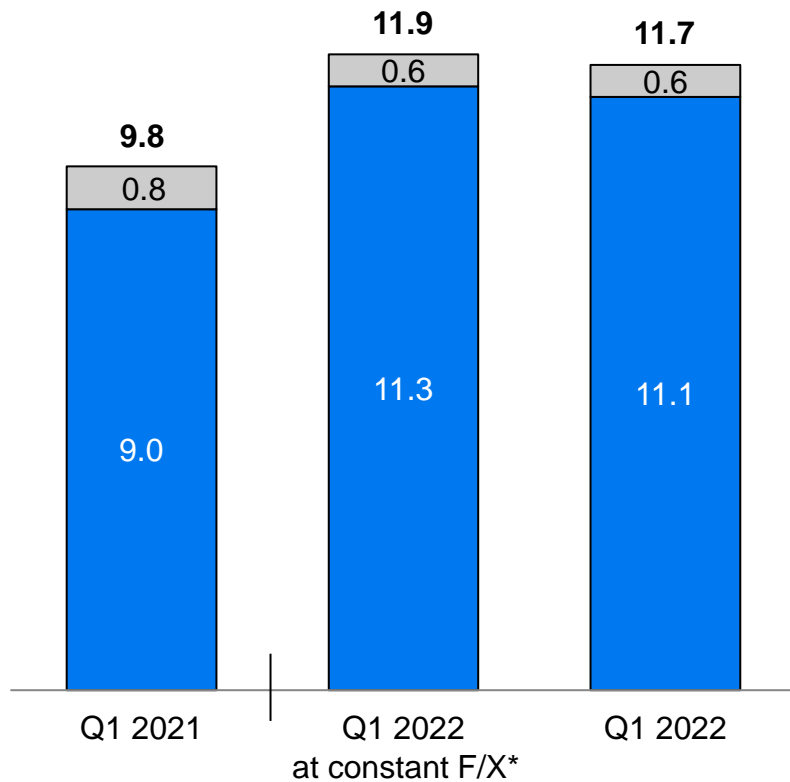


* Includes cash, cash equivalents and restricted cash

North America business segment revenue

North America Revenue by Type

\$ millions



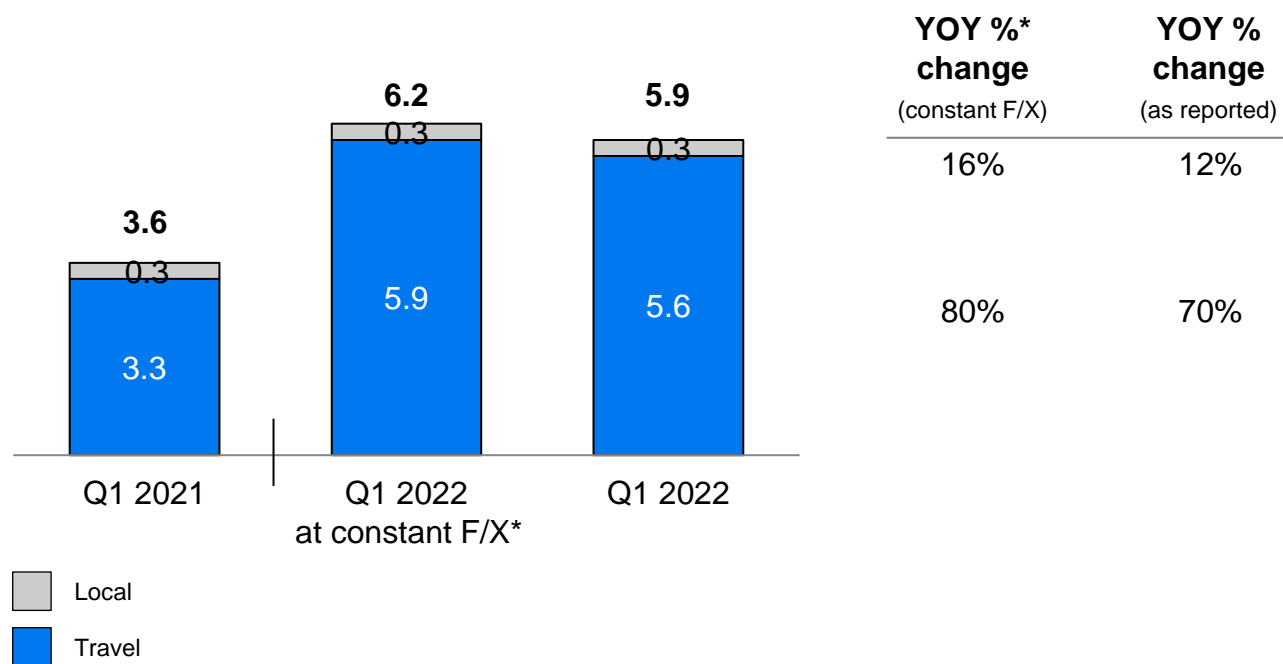
YOY %* change (constant F/X)	YOY % change (as reported)
-22%	-22%
26%	26%

* Based on constant F/X rates for CAD

Europe business segment revenue

Europe Revenue by Type

\$ millions

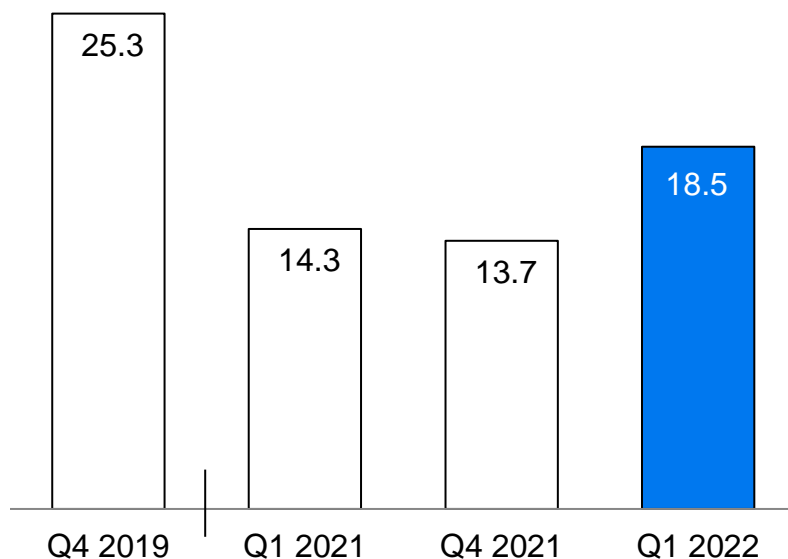


* Based on constant F/X rates for EUR and GBP

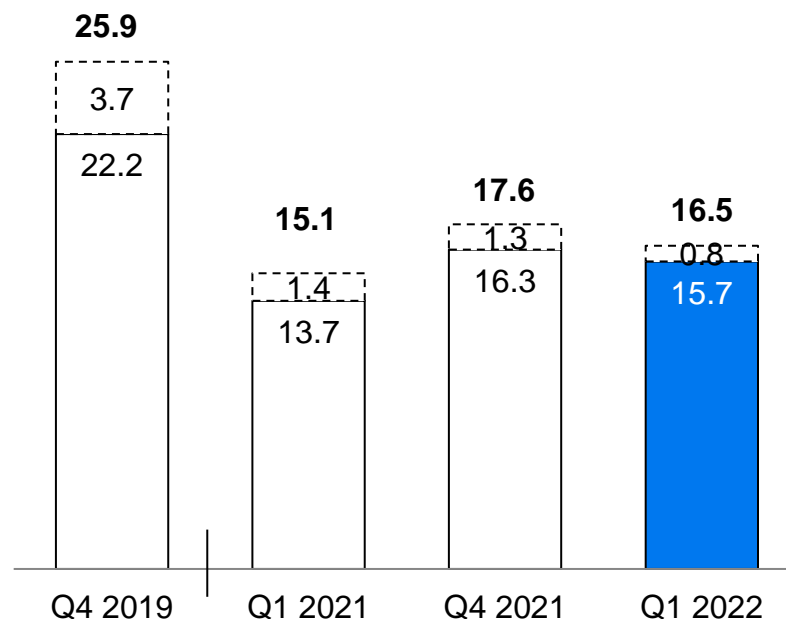
During the pandemic, we have been able to lower our fixed costs. We believe we can keep them relatively low in the foreseeable future—while revenue is expected to grow.

Financial Performance

Revenue*
\$ millions



Operating Expenses and Cost of Revenues*
\$ millions



 Non-GAAP Adjustments

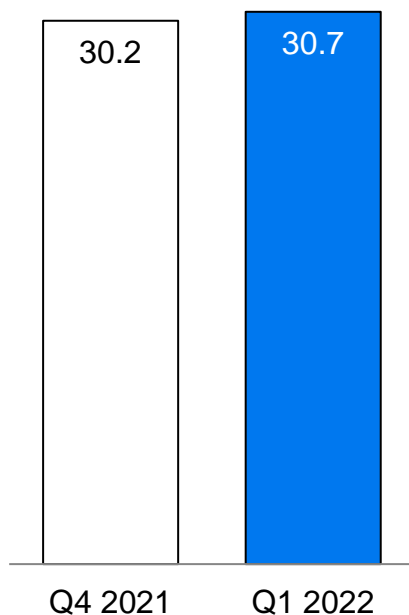
  OPEX and Cost of Revenues

* Excluding discontinued Asia operations

With more than 30 million members, 7 million mobile app users, and 4 million social media followers, Travelzoo is loved by travel enthusiasts who are affluent, active, and open to new experiences.

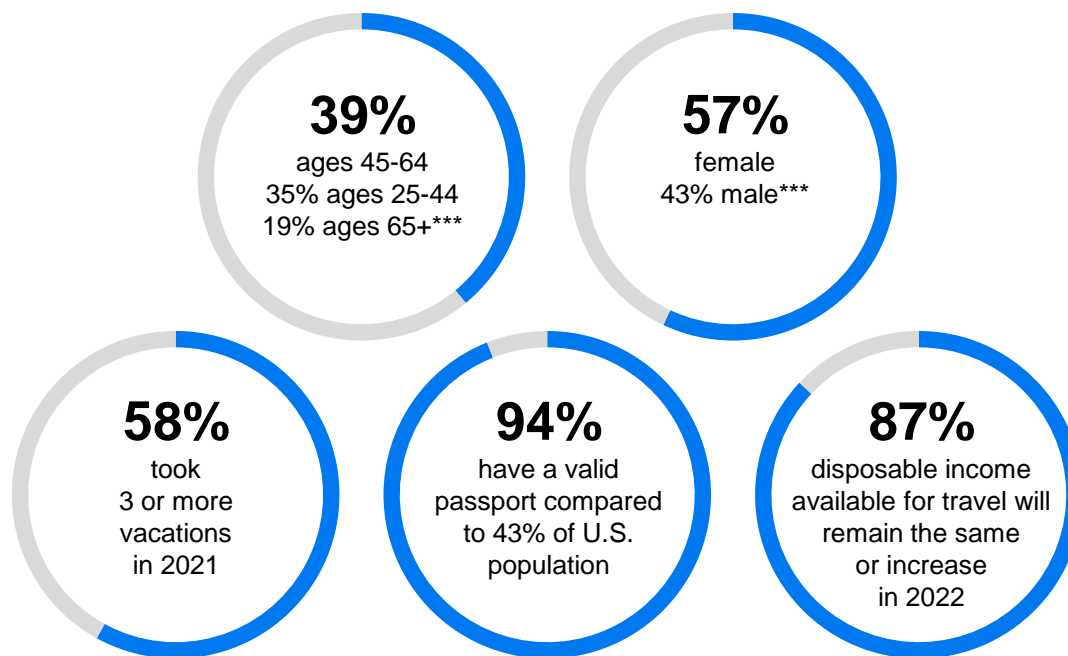
Travelzoo's Global Reach

Members*
Millions



High-Quality Users, Followers and Subscribers

Travelzoo U.S. Member Survey**
December 2021



* Including members of Jack's Flight Club ** Sources: Google Analytics, average taken over October 2020 to September 2021 (marked with ***); Travelzoo U.S. Member Survey; December 11-20, 2021; n=1,457; U.S. Department of State – Bureau of Consular Affairs, U.S. Census Bureau

Part 1:
First Quarter 2022 Performance

Part 2:
Management Focus

Part 3:
Travelzoo META

Management Focus

- Seize the exceptional industry opportunities for providing 30 million Travelzoo® members with exclusive and irresistible travel, entertainment, and local offers and experiences.
- Increase members in 2022 and accelerate revenue growth.
- Grow Jack's Flight Club's profitable subscription revenue.
- Grow profitability as demand for travel returns.

Part 1:
First Quarter 2022 Performance

Part 2:
Management Focus

Part 3:
Travelzoo META

TRAVELZOO

M E T A

What is the Metaverse and why is Travelzoo entering the Metaverse?

- Metaverse is a network of highly immersive shared virtual worlds focused on social connection and interaction in a computer-generated 3D environment.
- We perceive the Metaverse as disruptive and abundant with lucrative opportunities for innovative companies that are willing to be the first movers.
- In addition, by being part of the Metaverse, Travelzoo META believes it can diversify Travelzoo's current demographic.

What is the market opportunity?

- The Metaverse market size is estimated to be \$800 billion in 2024.*
- Approximately \$400 billion is the anticipated market size for non-gaming related services.

* Bloomberg Intelligence, December 1, 2021

What is Travelzoo META?

- Travelzoo META is a paid subscription-based service that provides its members with exclusive access to unique and cutting-edge Metaverse travel and entertainment experiences.
- The experiences will be sourced from creators globally.
- We are partnering with skilled technologists to enable us to provide high-quality experiences to our members.
- Many of the experiences will be browser-enabled and will not require the use of specific VR hardware.

What is our strategy?

- We are building Travelzoo META strategically using a phased approach to judiciously navigate the rapidly changing Metaverse environment.
- We will measure and assess the performance of each phase and deploy a process of continuous improvement to monitor progress and pursue next steps accordingly.
- Travelzoo META will be managed separately from Travelzoo's core business.

What is the investment required?

- Travelzoo META is being built out in a cost-efficient manner with no significant upfront investment.
- The cost of licenses for the experiences will be paid for by pre-registrations initially, and annual subscriptions thereafter.

What are the status and timing?

- Given the newness of the industry, we are spending additional time finalizing a few important technicalities.
- Contingent on the status of our technical requirements, we are now planning to launch Phase 1 in May.
- We will provide updates, as appropriate.

TRAVELZOO[®]

NASDAQ: TZOO

HAVE A NICE DAY!

For questions, please contact Travelzoo Investor Relations:

ir@travelzoo.com